

EDWARD J. MARKEY

7TH DISTRICT, MASSACHUSETTS

COMMERCE COMMITTEE

RANKING MEMBER

SUBCOMMITTEE ON
TELECOMMUNICATIONS, TRADE
AND CONSUMER PROTECTION

RESOURCES COMMITTEE

COMMISSION ON SECURITY AND
COOPERATION IN EUROPE

Congress of the United States

House of Representatives

Washington, DC 20515-2107

January 22, 1999

2133 RAYBURN HOUSE

WASHINGTON, DC

(202) 225-

DISTRICT C

5 HIGH STREET

MEDFORD, MA

01905-5085

188 CONCORD STREET

FRAMINGHAM

01901-5755

Mr. Craig R. Barrett
President and Chief Executive Officer
Intel Corporation
2200 Mission College Blvd.
Santa Clara, CA 95052

Dear Mr. Barrett:

I am writing with respect to recent media reports addressing certain technological capabilities of the new Pentium III microprocessor. I am concerned that this product's capabilities raise serious privacy issues that I hope you will address.

It is my understanding that Intel has designed the new Pentium III with the capability of transmitting signals over the Internet that contain unique identification numbers. As reported in today's Washington Post ("Intel Chip to Send ID Code", p. E1), this capability has been built into the new microprocessors with the intent to better authenticate user identification for transactions online and to improve the ability to identify authors of online content, among other applications.

As you well know, validating authentic transactions on the World Wide Web is critical for electronic commerce to flourish to its full potential. However, protecting personal privacy on the WWW is equally important for electronic commerce, as consumers will have little confidence in an online marketplace if technology surreptitiously tracks their journeys there.

The new Pentium III reportedly can track a consumer's use of the Internet, whether that consumer is engaged in purchasing information, goods or services -- for which affirming the identity of the user may be required -- or whether that consumer is merely visiting a site. Moreover, as currently designed, a consumer would have to turn off the tracking beacon (and know how to do so) in order to prevent the technology from automatically transmitting the unique identifying signal while the user is online.

Intel's own privacy policy, as posted on your corporate Website, appropriately notes that consumer information collected "should only be used to provide you with a better service." In addition, it notes that Intel "will not provide any of your personal information to other companies or individuals without your permission." Intel's new Pentium III, however, gives out information to other companies and individuals on the Internet without knowing whether that information is to provide a better service, and certainly without a conspicuous request each time for permission from the consumer.

In my opinion, Intel's new product improves technology for online commerce in a way that compromises personal privacy. I believe that technology should be able to improve authentication and security functions without simultaneously undermining personal privacy. I hope that Intel will seek to design its products to improve the security of electronic commerce transactions without putting

consumer privacy at risk. I encourage you to examine the privacy implications of the Pentium III and ascertain whether further improvements can be made to better balance both commercial and privacy objectives.

Thank you in advance for your time and attention in considering my views. If you have any questions please feel free to call me or have your staff contact Colin Crowell in my office at (202) 225-2836.

Sincerely,

Edward J. Markey
Ranking Democrat
House Subcommittee on Telecommunications,
Trade, and Consumer Protection